

Message Text

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FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC IMMEDIATE 4778

UNCLAS SECTION 1 OF 4 KINGSTON 1786/1

E.O. 11652: N/A

TAGS: EMIN, EFIN

SUBJ: BAUXITE NEGOTIATIONS SITREP 60: GOJ INTRODUCES BAUXITE
TAXATION LEGISLATION

THE FOLLOWING IS THE TEXT OF THE BAUXITE TAXATION LEGISLATION
WHICH WAS TABLED IN PARLIAMENT YESTERDAY.

BEGIN TEXT

"A BILL

ENTITLED

AN ACT TO PROVIDE FOR THE IMPOSITION OF A PRODUCTION LEVY ON
BAUXITE AND LATERITE WON IN JAMAICA, AND FOR MATTERS INCIDENTAL
THERE TO OR CONNECTED THEREWITH.

BE IT ENACTED BY THE QUEEN'S MOST EXCELLENT MAJESTY, BY AND
WITH THE ADVICE AND CONSENT OF THE SENATE AND HOUSE OF REPRESENT-
ATIVES OF JAMAICA, AND BY THE AUTHORITY OF THE SAME, AS FOLLOWS:--

1. THIS ACT MAY BE CITED AS THE BAUXITE (PRODUCTION LEVY) ACT,
1974, AND SHALL BE DEEMED TO HAVE COME INTO OPERATION ON
THE 1ST OF JANUARY, 1974.

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2. IN THIS ACT UNLESS THE CONTEXT OTHERWISE REQUIRES - "BASIC
RATE" MEANS THE AMOUNT FOR THE TIME BEING DESCRIBED IN THE FIRST

SCHEDULE AS THE BASIC RATE; "BAUXITE PRODUCER" MEANS A HOLDER OF A MINING LEASE OR SPECIAL MINING LEASE UNDER THE MINING LAW FOR BAUXITE OR LATERITE; "CURRENT RATE" MEANS THE AMOUNT FOR THE TIME BEING DESCRIBED IN THE FIRST SCHEDULE AS THE CURRENT RATE; "OFFICER" MEANS AN OFFICER OF CUSTOMS AND EXCISE, AND INCLUDES ANY PERSON WHO IS EXPRESSLY AUTHORIZED BY THE COLLECTOR GENERAL TO PERFORM THE DUTIES OF AN OFFICER OF CUSTOMS AND EXCISE FOR THE PURPOSE OF THIS ACT; "QUARTERLY PERIOD" MEANS A PERIOD OF THREE CONSECUTIVE MONTHS COMMENCING ON THE 1ST DAY OF JANUARY, OR THE 1ST DAY OF APRIL, OR THE 1ST DAY OF JULY, OR THE 1ST DAY OF OCTOBER, IN ANY YEAR; "TON" IN RELATION TO BAUXITE OR LATERITE MEANS A TON BY STANDARD MEASURE OF WEIGHT PROVIDED IN THE WEIGHTS AND MEASURES LAW (TWENTY HUNDREDWEIGHTS EACH OF 112 STANDARD POUNDS WEIGHT) AFTER DEDUCTING THE MOISTURE CONTENT OF THE ORE.

3. (1) NOTWITHSTANDING ANYTHING IN ANY LAW, ENACTMENT OR AGREEMENT, A TAX TO BE KNOWN AS A PRODUCTION LEVY SHALL BE PAID ON ALL BAUXITE OR LATERITE EXTRACTED OR WON IN JAMAICA ON OR AFTER THE 1ST JANUARY, 1974, AND ACCORDINGLY NOTHING IN ANY SUCH LAW, ENACTMENT OR AGREEMENT SHALL BE CONSTRUED AS AFFECTING THE PROVISIONS OF THIS ACT OR ANY OBLIGATIONS ARISING THEREUNDER, OR GIVE RISE TO ANY CAUSE OF ACTION IN RESPECT OF ANY ACT DONE IN ACCORDANCE WITH THIS ACT OR REGULATIONS THEREUNDER.

(2) THE PRODUCTION LEVY SHALL BE CALCULATED AT THE CURRENT RATE.

(3) THE PRODUCTION LEVY PAYABLE UNDER THIS ACT SHALL BE PAID TO THE COLLECTOR GENERAL OR, AT HIS DIRECTION, TO THE BANK OF JAMAICA, BY THE BAUXITE PRODUCERS WHO EXTRACTED OR WON THE BAUXITE OR LATERITE IN RESPECT OF WHICH SUCH LEVY IS PAYABLE.

4. (1) FOR THE PURPOSE OF THIS ACT EACH OF THE BAUXITE PRODUCERS NAMES IN THE FIRST COLUMN OF THE SECOND SCHEDULE --

(A) SHALL BE DEEMED TO HAVE EXTRACTED OR WON IN JAMAICA, DURING EACH QUARTERLY PERIOD, NOT LESS THAN THE NUMBER OF TONS OF BAUXITE OR LATERITE SPECIFIED IN RESPECT OF THAT BAUXITE PRODUCER IN THE SECOND COLUMN OF SAID SCHEDULE (HEREAFTER IN THIS ACT REFERRED TO AS THE "MINIMUM TONNAGE"); AND

(B) SHALL PAY TO THE COLLECTOR GENERAL OR, AT HIS DIRECTION TO THE BANK OF JAMAICA WITHIN FIFTEEN DAYS AFTER THE END OF EACH

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QUARTERLY PERIOD, THE SUM OF MONEY ARRIVED AT BY MULTIPLYING THE MINIMUM TONNAGE BY THE BASIC RATE (HEREAFTER IN THIS ACT REFERRED TO AS THE "PROVISIONAL QUARTERLY PAYMENT") ON ACCOUNT OF THE TURE AMOUNT OF THE PRODUCTION LEVY PAYABLE BY HIM FOR THAT QUARTERLY PERIOD. PROVIDED THAT THE PROVISIONAL QUARTERLY PAYMENT FOR THE QUARTERLY PERIOD COMMENCING ON THE 1ST DAY OF JANUARY, 1974 SHALL BE PAID NOT LATER THAN THE 15TH DAY OF JUNE, 1974.

(2) EVERY BAUXITE PRODUCER SHALL, IN RESPECT OF EACH QUARTERLY PERIOD, MAKE TO THE COLLECTOR GENERAL, IN SUCH FORM (IF ANY) AS MAY BE PRESCRIBED, WITHIN THIRTY DAYS AFTER THE END OF THAT

QUARTERLY PERIOD --

(A) A RETURN IN WRITING SHOWING THE NUMBER OF TONS OF BAUXITE OR LATERITE EXTRACTED OR WON IN JAMAICA BY HIM;

(B) STATEMENTS OF THE PRICES (EXPRESSED IN LAWFUL CURRENCY OF THE UNITED STATES OF AMERICA) RECEIVED BY HIM OR BY ANY ASSOCIATE FOR PRIMARY ALUMINUM, DIFFERENTIATING BETWEEN THE PRICES RECEIVED IN RESPECT OF TRANSACTIONS BETWEEN ASSOCIATES AND OTHER TRANSACTIONS.

(3) EVERY BAUXITE PRODUCER SHALL, WITHIN NINETY DAYS AFTER THE END OF EACH YEAR, SUPPLY TO THE MINISTER SUCH FURTHER INFORMATION AS MAY BE PRESCRIBED FOR THE PURPOSES OF DETERMINING THE AVERAGE REALISED PRICE FOR PRIMARY ALUMINUM.

(4) THE MINISTER SHALL, AS SOON AS MAY BE PRACTICABLE AFTER THE 30TH DAY OF APRIL IN EACH YEAR, BY ORDER PRESCRIBE THE AVERAGE REALIZED PRICE (EXPRESSED IN LAWFUL CURRENCY OF THE UNITED STATES OF AMERICA) FOR PRIMARY ALUMINUM FOR THE LAST PRECEDING YEAR, TAKING INTO ACCOUNT ALL RELEVANT INFORMATION, INCLUDING THE INFORMATION REFERRED TO IN SUBSECTIONS (2) AND (3).

(5) IN THIS SECTION "ASSOCIATE" MEANS ANY PERSON WHO CONTROLS, OR IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH, THE BAUXITE PRODUCER IN RELATION TO WHOM THAT TERM IS USED OR WHO IS A PARTNER OF THAT BAUXITE PRODUCER.

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FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC IMMEDIATE 4779

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(6) WITHIN THIRTY DAYS AFTER THE PUBLICATION IN THE GAZETTE OF AN ORDER MADE UNDER SUBSECTION (4) EVERY BAUXITE PRODUCER SHALL PREPARE AND SUBMIT TO THE COLLECTOR GENERAL A STATEMENT IN THE PRESCRIBED FORM SHOWING AN ASSESSMENT OF THE TRUE AMOUNT OF THE PRODUCTION LEVY PAYABLE BY SUCH BAUXITE PRODUCER FOR EACH OF THE QUARTERLY PERIODS IN THE LAST PRECEDING YEAR. SUCH TRUE AMOUNT SHALL BE BASED ON THE CURRENT RATE.

(7) WHERE THE TOTAL NUMBER OF TONS OF BAUXITE OR LATERITE ACTUALLY EXTRACTED OR WON IN JAMAICA BY ANY BAUXITE PRODUCER IN ANY YEAR IS LESS THAN FOUR TIMES THE MINIMUM TONNAGE SPECIFIED FOR THAT BAUXITE PRODUCER, HE SHALL, FOR THE PURPOSE OF DETERMINING THE TRUE AMOUNT OF THE PRODUCTION LEVY PAYABLE BY HIM FOR THAT YEAR BE DEEMED TO HAVE ACTUALLY EXTRACTED OR WON FOUR TIMES THE MINIMUM TONNAGE SO SPECIFIED.

(8) THE COLLECTOR GENERAL SHALL, ON THE RECEIPT OF A STATEMENT SUBMITTED TO HIM UNDER SUBSECTION (6), DETERMINE THE TRUE AMOUNT OF THE PRODUCTION LEVY PAYABLE FOR THE LAST PRECEDING YEAR BY THE BAUXITE PRODUCER WHO SUBMITTED THAT STATEMENT.

(9) WHERE THE AMOUNT DETERMINED BY THE COLLECTOR GENERAL UNDER SUBSECTION (8) IS GREATER THAN THE TOTAL OF THE PROVISIONAL QUARTERLY PAYMENTS PAID BY THE BAUXITE PRODUCER IN RESPECT OF WHOM THAT AMOUNT WAS DETERMINED, THE BAUXITE PRODUCER SHALL NOT WITH-
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STANDING ANY NOTICE OF OBJECTION UNDER SECTION 10, PAY THE DIFFERENCE TO THE COLLECTOR GENERAL WITHIN THIRTY DAYS AFTER THE COLLECTOR GENERAL SERVES UPON HIM A NOTICE IN WRITING INFORMING HIM OF THE DIFFERENCE.

(10) WHERE THE AMOUNT DETERMINED BY THE COLLECTOR GENERAL UNDER SUBSECTION (8) IS LESS THAN THE TOTAL OF THE PROVISIONAL QUARTERLY PAYMENTS PAID BY THE BAUXITE PRODUCER IN RESPECT OF WHOM THAT AMOUNT WAS DETERMINED, THE COLLECTOR GENERAL SHALL REFUND THE DIFFERENCE TO THE BAUXITE PRODUCER.

(11) ANY AMOUNT REQUIRED BY THIS SECTION TO BE PAID BY ANY BAUXITE PRODUCER MAY, WITHOUT PREJUDICE TO ANY OTHER MEANS OF RECOVERY, BE RECOVERED BY A COLLECTOR OF TAXES UNDER THE TAX COLLECTION LAW.

(12) THE MINISTER MAY WHERE HE IS SATISFIED THAT IT IS NECESSARY SO TO DO, EXTEND THE PERIOD WITHIN WHICH ANY BAUXITE PRODUCER IS REQUIRED BY THIS SECTION TO DO ANYTHING.

(13) FOR THE PURPOSES OF THIS SECTION, THE TRUE AMOUNT OF THE PRODUCTION LEVY IS THE SUM OF MONEY ARRIVED AT BY MULTIPLYING THE NUMBER OF TONS OF BAUXITE OR LATERITE EXTRACTED OR WON (OR DEEMED UNDER SUBSECTION (7) TO HAVE BEEN SO EXTRACTED OR WON) BY THE BAUXITE PRODUCER DURING THE LAST PRECEDING YEAR BY THE CURRENT RATE.

5. (1) THE MINISTER MAY FROM TIME TO TIME BY ORDER AMEND THE FIRST OR SECOND SCHEDULES WITH EFFECT FROM SUCH DATE (NOT BEING EARLIER THAN THE FIRST OF JANUARY OF THE YEAR PRECEDING THE YEAR IN WHICH THE ORDER IS MADE) AS MAY SPECIFIED IN THE ORDER.

(2) ANY ORDER MADE UNDER SUBSECTION (1) MAY CONTAIN SUCH CONSEQUENTIAL, SUPPLEMENTARY OR ANCILLARY PROVISIONS AS THE MINISTER THINKS NECESSARY OR EXPEDIENT.

(3) EVERY ORDER MADE UNDER SUBSECTION (1) SHALL BE SUBJECT TO AFFIRMATION RESOLUTION OF THE HOUSE OF REPRESENTATIVES.

6. THE MINISTER MAY, UPON THE APPLICATION OF ANY PERSON LIABLE FOR PAYMENT OF ANY PRODUCTION LEVY, IF HE IS SATISFIED THAT IT IS JUST AND EQUITABLE SO TO DO, WAIVE, REMIT OR REFUND SUCH LEVY IN WHOLE OR IN PART AND ANY SUCH WAIVER, REMISSION OR REFUND MAY BE SUBJECT TO SUCH CONDITIONS AS THE MINISTER MAY SEE FIT TO IMPOSE: PROVIDED THAT A NOTICE OF SUCH WAIVER, REMISSION OR REFUND SHALL BE PUBLISHED IN THE GAZETTE.

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7. (1) ANY AMOUNT PAID AS PRODUCTION LEVY UNDER THIS ACT WHICH IS IN EXCESS OF THE AMOUNT REQUIRED TO BE PAID UNDER THIS ACT SHALL BE REFUNDED BY THE COLLECTOR GENERAL, ON THE PRODUCTION TO THE COLLECTOR GENERAL OF SUCH EVIDENCE AS THE COLLECTOR GENERAL MAY REQUIRE AS PROOF OF SUCH OVERPAYMENT.

(2) ANY APPLICATION FOR A REFUND UNDER SUBSECTION (1) SHALL BE MADE WITHIN TWO YEARS OF THE DATE OF THE OVERPAYMENT TO WHICH IT RELATES OR SUCH LONGER PERIOD AS THE COLLECTOR GENERAL MAY ALLOW IF SATISFIED THAT, IN THE SPECIAL CIRCUMSTANCES OF THE CASE, IT WAS NOT REASONABLY PRACTICABLE FOR THE BAUXITE PRODUCER TO MAKE HIS APPLICATION WITHIN TWO YEARS AS AFORESAID.

8. EVERY BAUXITE PRODUCER SHALL --

(A) KEEP SUCH BOOKS, RECORDS, ACCOUNTS AND OTHER DOCUMENTS IN RELATION TO THE PRODUCTION AND DISPOSAL OF BAUXITE OR LATERITE BY THAT BAUXITE PRODUCER AS MAY BE PRESCRIBED; AND

(B) PERMIT THE COLLECTOR GENERAL OR ANY OFFICER AUTHORIZED IN THAT BEHALF BY HIM TO ENTER ANY PREMISES USED BY THAT BAUXITE PRODUCER IN CONNECTION WITH THE PRODUCTION OR DISPOSAL OF BAUXITE OR LATERITE AND TO INSPECT, AND MAKE COPIES OF ENTRIES IN, ANY BOOKS, RECORDS, ACCOUNTS OR OTHER DOCUMENTS WHICH RELATE OR APPEAR TO RELATE TO THE BUSINESS OF THAT BAUXITE PRODUCER; AND

(C) IF REQUIRED TO DO SO BY THE COLLECTOR GENERAL OR ANY OFFICER AUTHORIZED IN THAT BEHALF BY HIM, PRODUCE AT SUCH TIME AND PLACE AS THE COLLECTOR GENERAL OR SUCH OFFICER MAY SPECIFY, ANY BOOKS, RECORDS, ACCOUNTS OR OTHER DOCUMENTS RELATING TO THE BUSINESS OF THAT BAUXITE PRODUCER; AND

(D) AT SUCH TIMES AND TO SUCH PERSONS AS THE COLLECTOR GENERAL MAY SPECIFY, MAKE SUCH RETURNS AS MAY BE PRESCRIBED AND GIVE SUCH OTHER INFORMATION RELATING TO THE BUSINESS OF THAT BAUXITE PRODUCER AS THE COLLECTOR GENERAL MAY REQUIRE.

9. (1) IF ANY BAUXITE PRODUCER FAILS TO SUBMIT TO THE COLLECTOR GENERAL THE STATEMENT REFERRED TO IN SUBSECTION (6) OF SECTION (4) THE COLLECTOR GENERAL MAY ASSESS THE AMOUNT OF PRODUCTION LEVY

WHICH, IN THE OPINION OF THE COLLECTOR GENERAL, IS PAYABLE UNDER

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FM AMEMBASSY KINGSTON

TO SECSTATE WASHDC IMMEDIATE 4780

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THIS ACT BY THAT BAUXITE PRODUCER AND CAUSE TO BE SERVED ON HIM
A NOTICE STATING THE AMOUNT OF PRODUCTION LEVY SO ASSESSED.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, ANY
AMOUNT ASSESSED BY THE COLLECTOR GENERAL UNDER SUBSECTION (1) SHALL
BE PAID WITHIN TEN DAYS AFTER THE SERVICE OF THE NOTICE REFERRED
TO IN THAT SUBSECTION.

(3) WHERE IT APPEARS TO THE COLLECTOR GENERAL THAT THE AMOUNT
PAID BY A BAUXITE PRODUCER OR THAT ANY AMOUNT DETERMINED OR
ASSESSED UNDER THIS ACT IS LESS THAN THAT WHICH OUGHT TO BE
PAID, THE COLLECTOR GENERAL MAY, WITHIN TWO YEARS AFTER THE END
OF THE RELEVANT YEAR ASSESS THE AMOUNT WHICH IN HIS JUDGEMENT
OUGHT TO BE PAID.

10. (1) IF ANY BAUXITE PRODUCER DISPUTES THE AMOUNT DETERMINED
UNDER SUBSECTION (8) OF SECTION (4) OR ASSESSED UNDER SECTION (9)
HE MAY APPLY TO THE COLLECTOR GENERAL, BY NOTICE OF OBJECTION
IN WRITING, TO REVIEW AND REVISE THAT AMOUNT. SUCH
NOTICE OF OBJECTION SHALL STATE PRECISELY THE GROUNDS OF OBJECTION
TO THE AMOUNT AFORESAID AND SHALL BE MADE WITHIN THIRTY DAYS
FROM THE DATE OF SERVICE OF THE NOTICE SERVED ON THE BAUXITE PRODUCER
UNDER SECTION 4 OR 9, AS THE CASE MAY BE.

(2) ON THE RECEIPT OF A NOTICE OF OBJECTION THE COLLECTOR
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GENERAL MAY REQUIRE THE BAUXITE PRODUCER BY WHOM THE NOTICE OF OBJECTION IS GIVEN TO FURNISH SUCH PARTICULARS AS THE COLLECTOR GENERAL THINKS NECESSARY AND TO PRODUCE ALL BOOKS AND OTHER RELATED DOCUMENTS IN HIS CUSTODY OR UNDER HIS CONTROL RELATING TO THE OBJECTION, AND MAY BY NOTICE IN WRITING SUMMON ANY PERSON HE THINKS IS ABLE TO GIVE EVIDENCE IN RESPECT THEREOF TO ATTEND BEFORE HIM, AND MAY EXAMINE SUCH PERSON ON OATH OR OTHERWISE.

(3) WHERE ANY BAUXITE PRODUCER WHO HAS GIVEN A NOTICE OF OBJECTION SUBSEQUENTLY AGREES WITH THE COLLECTOR GENERAL AS TO THE AMOUNT PAYABLE BY SUCH BAUXITE PRODUCER, THE AMOUNT REFERRED TO IN SUBSECTION (1) SHALL, IF NECESSARY, BE AMENDED ACCORDINGLY BUT, IN THE ABSENCE OF SUCH AN AGREEMENT, THE COLLECTOR GENERAL SHALL GIVE NOTICE IN WRITING TO THE BAUXITE PRODUCER OF HIS DECISION IN RESPECT OF THE OBJECTION.

11. (1) ANY BAUXITE PRODUCER (HEREAFTER IN THIS SECTION REFERRED TO AS THE "OBJECTOR") WHO HAS GIVEN NOTICE OF OBJECTION UNDER SECTION 10 AND IS DISSATISFIED WITH THE DECISION OF THE COLLECTOR GENERAL THEREIN MAY APPEAL TO THE REVENUE COURT WITHIN THIRTY DAYS OF THE DATE OF RECEIVING THE COLLECTOR GENERAL'S DECISION REFERRED TO IN SUBSECTION (3) OF SECTION 10 OR WITHIN SUCH LONGER TIME AS MAY BE PERMITTED BY OR PURSUANT TO RULES OF COURT.

(2) THE ONUS OF PROVING THAT THE AMOUNT COMPLAINED OF IS EXCESSIVE SHALL BE ON THE OBJECTOR.

12. (1) THERE IS HEREBY ESTABLISHED A FUND, TO BE CALLED THE CAPITAL DEVELOPMENT FUND (IN THIS SECTION REFERRED TO AS "THE FUND").

(2) SUBJECT TO THE PROVISIONS OF THIS ACT ANY MONEYS AND SECURITIES FORMING PART OF THE FUND SHALL BE HELD BY THE BANK OF JAMAICA.

(3) ALL SUMS RECEIVED AS PAYMENT OF PRODUCTION LEVY UNDER THIS ACT AND ALL OTHER INCOME FROM THE ASSETS OF THE FUND SHALL BE PAID INTO THE FUND.

(4) ANY MONEYS AND INVESTMENTS FORMING PART OF THE FUND MAY FROM TIME TO TIME BE INVESTED OR REALIZED, AS THE CASE MAY BE, IN ACCORDANCE WITH DIRECTIONS OF THE MINISTER.

(5) THE MINISTER MAY FROM TIME TO TIME BY ORDER DIRECT THAT SUCH SUM AS SHALL BE SPECIFIED IN THE ORDER SHALL BE DRAWN FROM THE FUND FOR SUCH PURPOSES AND SUBJECT TO SUCH CONDITIONS AS SHALL BE SO SPECIFIED.

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(6) EVERY ORDER MADE UNDER SUBSECTION (5) SHALL BE SUBJECT TO AFFIRMATIVE RESOLUTION OF THE HOUSE OF REPRESENTATIVES.

(7) ACCOUNTS OF THE FUND SHALL BE PREPARED IN SUCH FORM AND MANNER AND AT SUCH TIMES AS THE MINISTER MAY DIRECT AND SHALL BE AUDITED BY THE AUDITOR GENERAL, WHO SHALL REPORT THEREON TO THE HOUSE OF REPRESENTATIVES.

(8) THE MINISTER SHALL, NOT LATER THAN 31ST MARCH IN EACH YEAR, CAUSE A REPORT ON THE OPERATIONS OF THE FUND IN RESPECT OF THE LAST PRECEDING YEAR TO BE LAID ON THE TABLE OF THE HOUSE OF REPRESENTATIVES.

13. (1) ANY PERSON WHO --

(A) FAILS TO PAY ANY PRODUCTION LEVY PAYABLE BY HIM UNDER THIS ACT; OR

(B) IN CONNECTION WITH ANY PRODUCTION LEVY PAYABLE BY HIM UNDER THIS ACT MAKES ANY STATEMENT WHICH HE KNOWS TO BE FALSE IN A MATERIAL PARTICULAR OR RECKLESSLY MAKES ANY STATEMENT WHICH IS FALSE IN A MATERIAL PARTICULAR, OR, WITH INTENT TO DECEIVE, PRODUCES OR MAKES USE OF ANY BOOK, RECORD, ACCOUNT, RETURN OR OTHER DOCUMENT WHICH IS FALSE IN A MATERIAL PARTICULAR; OR

(C) EXPORTS, WINS OR EXPORTS ANY BAUXITE OR LATERITE, OR ANY ALUMINA MADE THEREFROM, IN CONTRAVENTION OF ANY REGULATIONS MADE UNDER THIS ACT, SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON SUMMARY CONVICTION BEFORE A RESIDENT MAGISTRATE TO A FINE NOT EXCEEDING FIFTY THOUSAND DOLLARS OR TREBLE THE AMOUNT OF THE LEVY WHICH IS UNPAID OR IN RESPECT OF WHICH PAYMENT IS SOUGHT TO BE EVADED, AS THE CASE MAY BE, AT THE ELECTION OF THE COLLECTOR GENERAL, AND IN DEFAULT OF PAYMENT TO IMPRISONMENT FOR A TERM NOT EXCEEDING FIVE YEARS.

(2) ANY PERSON WHO CONTRAVENES ANY OF THE PROVISIONS OF SECTION 8 SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON SUMMARY CONVICTION BEFORE A RESIDENT MAGISTRATE TO A FINE NOT EXCEEDING FIFTY THOUSAND DOLLARS AND IN DEFAULT OF PAYMENT TO IMPRISONMENT FOR A TERM NOT EXCEEDING THREE YEARS.

(3) ANY PERSON WHO WITHOUT LAWFUL EXCUSE REFUSES OR NEGLECTS TO ATTEND OR TO GIVE EVIDENCE IN PURSUANCE OF NOTICE SERVED ON HIM UNDER SUBSECTION (2) OF SECTION 10 OR TO PRODUCE ANY BOOKS

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TO SECSTATE WASHDC IMMEDIATE 4781

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OR DOCUMENTS WHICH HE IS REQUIRED TO PRODUCE UNDER THE SAID SUB-SECTION, OR WHO REFUSES TO ANSWER ANY LAWFUL QUESTION TOUCHING THE MATTERS UNDER CONSIDERATION, OR WHO KNOWINGLY OR WILFULLY GIVES ANY FALSE EVIDENCE BEFORE THE COLLECTOR GENERAL SHALL BE GUILTY OF AN OFFENCE AND SHALL BE LIABLE ON SUMMARY CONVICTION BEFORE A RESIDENT MAGISTRATE TO A FINE NOT EXCEEDING TWENTY THOUSAND DOLLARS AND IN DEFAULT OF PAYMENT TO IMPRISONMENT FOR A TERM NOT EXCEEDING TWO YEARS.

14. THE MANAGER OR OTHER PRINCIPAL OFFICER IN JAMAICA OF ANY CORPORATION, SOCIETY, ASSOCIATION, PARTNERSHIP OR OTHER BODY OF PERSONS SHALL BE ANSWERABLE FOR DOING ALL SUCH ACTS, MATTERS AND THINGS AS SHALL BE REQUIRED BY OR UNDER THIS ACT TO BE DONE BY SUCH CORPORATION, SOCIETY, ASSOCIATION PARTNERSHIP OR BODY.

15. (1) THE MINISTER MAY MAKE REGULATIONS GENERALLY FOR THE PROPER CARRYING OUR OF THE PROVISIONS AND PURPOSES OF THIS ACT AND IN PARTICULAR, BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING, MAY MAKE REGULATIONS --

(A) RESTRICTING OR PROHIBITING THE EXTRACTING, WINNING OR EXPORTING OF BAUXITE OR LATERITE, OR ANY ALUMINA MADE THEREFROM,
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BY ANY BAUXITE PRODUCER WHO IS IN DEFAULT WITH HIS PAYMENT OF ANY PRODUCTION LEVY OR PART THEREOF.

(B) PROVIDING FOR THE ENTRY OF OFFICERS ON PREMISES ON OR FROM WHICH BAXUITE OR LATERITE IS EXTRACTED OR WON, STORED, PROCESSED OR TRANSPORTED AND FRO THE POWERS AND DUTIES OF SUCH OFFICERS;

(C) AS TO THE ADMINISTRATION AND MANAGEMENT OF THE CAPITAL DEVELOPMENT FUND.;

(D) PROVIDING FOR THE MANNER IN WHICH THE AMOUNT OF BAUXITE OR LATERITE EXTRACTED OR WON IN JAMAICA BY BAUXITE PRODUCERS IS

TO BE ASCERTAINED;

(E) PRESCRIBING ANY MATTER OR ANYTHING WHICH MAY BE,
OR IS REQUIRED BY HIS ACT TO BE, PRESCRIBED.

(2) REGULATION MADE UNDER THIS SECTION MAY PROVIDE THAT
THOSE REGULATIONS COME INTO FORCE ON SUCH DATE, WHICH MAY BE EAR-
LIER THAN THE DATE OF PUBLICATION OF THE REGULATIONS IN THE
GAZETTE BUT SHALL NOT BE EARLIER THAN THE 1ST DAY OF JANUARY,
1974, AS SHALL BE SPECIFIED IN THOSE REGULATIONS.

16. THE ENACTMENTS MENTIONED IN THE FIRST COLUMN OF THE
THIRD SCHEDULE ARE HEREBY AMENDED IN THE MANNER RESPECTIVELY
SPECIFIED IN THE SECOND COLUMN OF THAT SCHEDULE.

FIRST SCHEDULE (SECTION 2)

1. THE BASIC RATE PER TON OF BAUXITE OR LATERITE SHALL BE ELEVEN
DOLLARS AND SIXTEEN CENTS (IN LAWFUL CURRENCY OF THE UNITED
STATES OF AMERICA).
2. THE CURRENT RATE PER SHORT TON OF BAUXITE OR LATERITE SHALL
BE 7.5 PERCENT OF THE AVERAGE REALIZED PRICE PER SHORT TON FOR
PRIMARY ALUMINUM (AS PRESCRIBED UNDER SUBSECTION (4) OF SECTION
4 OF THE ACT) DIVIDED BY 4.3.
3. IN THIS SCHEDULE "SHORT TON" MEANS TWO THOUSAND POUNDS BY
STANDARD MEASURE OF WEIGHT PROVIDED IN THE WEIGHTS AND MEASURES
LAW.

SECOND SCHEDULE (SECTION 4)

NAME OF BAUXITE PRODUCER	NUMBER OF TONS
ALCAN JAMAICA LTD.	607,500
ALCOA MINERALS OF JAMAICA LTD.	461,000
ALUMINA PARTNERS OF JAMAICA	646,500
KAISER BAUXITE COMPANY	891,750
REVERE JAMAICA ALUMINA LTD.	111,250
REYNOLDS JAMAICA MINES LTD.	782,000

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THIRD SCHEDULE (SECTION 16)

ENACTMENTS	AMENDMENTS
THE INVESTMENT DISPUTES AWARDS (ENFORCEMENT) ACT, 1966 (ACT 28 OF 1966)	IN SECTION 2 ADD TO THE DEF- INITION NEXT AFTER THE WORDS "OF THE CONVENTION" THE WORDS "BUT DOES NOT INCLUDE ANY AW- ARD OR DECISION RELATING TO MINERALS OR ANY OTHER NATURAL RESOURCES".

THE JUDICATURE (REVENUE COURT) ACT, 1971 (ACT 29 OF 1971)	ADD TO THE FIRST SCHEDULE, AT THE END THEREOF, THE WORDS, "SECTION 11 OF THE BAXUITE (PRODUCTON LEVY) ACT, 1974 (ACT OF 1974)".
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MEMORANDUM OF OBJECTS AND REASONS

IT IS NECESSARY TO ESTABLISH AN EQUITABLE SYSTEM BY WHICH DEVELOPING COUNTRIES, SUCH AS JAMAICA, WHICH ARE PRIMARILY PRODUCERS OF RAW MATERIALS, MAY RECEIVE A FAIR RETURN FOR SUCH PRODUCTS.

THIS DEVELOPMENT STRATEGY IS OF PARTICULAR IMPORTANCE IN AN EFFORT TO REDRESS THE ADVERSE TERMS OF TRADE WHICH JAMAICA FACES BY REASON OF THE FACT THAT WHILST PRODUCING AND EXPORTING RAW MATERIALS AT DEPRESSED PRICES, IT IS REQUIRED TO IMPORT MANUFACTURED GOODS, THE FINISHED PRODUCTS OF SUCH RAW MATERIALS, AT EXORBITANT PRICES.

THIS BILL SEEKS TO PROVIDE A MEANS BY WHICH A FAIR RETURN MAY BE RECEIVED IN RESPECT OF THE PRODUCTION OF BAUXITE AND LATERITE AS BASIC RAW MATERIALS BY THE IMPOSITION OF A PRODUCTION LEVY IN RESPECT OF THESE RAW MATERIALS.

DAVID COORE,
MINISTER OF FINANCE" END TEXT.
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Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BAUXITE, TAX LAW, NEGOTIATIONS, PROGRESS REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KINGST01786
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740128-0065
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740527/aaaaaxww.tel
Line Count: 564
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 01 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 NOV 2002 by shawdg>; APPROVED <08 JAN 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BAUXITE NEGOTIATIONS SITREP 60: GOJ INTRODUCES BAUXITE TAXATION LEGISLATION
TAGS: EMIN, EFIN, JM, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005